

Letter of Application To The
Department of Transportation For
Transfer of Obsolete MARAD and Navy Vessels

1. Background: This document describes:

- The overall process for the donation transfer of obsolete U.S. Department of Transportation Maritime Administration (MARAD) and U.S. Department of the Navy (Navy) vessels to Governments of States, Commonwealths, Territories and possessions of the U.S., municipal corporations or political subdivisions thereof (municipalities), and foreign countries for donation transfer of obsolete MARAD and Navy vessels to be used as artificial reefs;
- The application requirements;
- The application evaluation criteria to be used for selecting transferees; and
- The general terms and conditions to be utilized in donation transfer agreements by MARAD and Navy.

Obsolete MARAD-owned vessels are located at MARAD National Defense Reserve Fleet (NDRF) facilities at James River, Fort Eustis, VA; Beaumont, TX; and Suisun Bay, Benicia, CA. Obsolete Navy-owned vessels are located at NAVSEA Inactive Ship On-Site Maintenance Offices (NISMO) at Philadelphia, PA; Bremerton, WA; and Pearl Harbor, HI; and may also be located at other Navy facilities in the U.S. and at MARAD NDRF facilities.

2. Limitations on use:

Any obsolete vessel to be donated by MARAD and Navy under this process is limited to use as an artificial reef in accordance with the requirements of Title 33 United States Code chapter 35, except that the transferee also may use the artificial reef to enhance diving opportunities if that use does not have an adverse effect on fishery resources, as defined in section 1802(14) of the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended (Public Law 100-627; 16 U.S.C. 1802).

3. Who is eligible to apply:

Donation transfer applications for obsolete MARAD and Navy vessels may be submitted by States, Commonwealths, and Territories and possessions of the United States of America, municipal corporations or political subdivisions thereof (municipalities), and foreign countries, except that by Navy policy, foreign organizations are ineligible to apply for and receive obsolete warships. Warships are defined as aircraft carriers, battleships, cruisers, destroyers, frigates, and submarines.

Due to the multitude of U.S. municipalities and in order to ensure an equitable process, applications from domestic municipalities must be submitted to the artificial reef coordinator of the State, Commonwealth, or U.S. possession wherein the municipality lies. MARAD will only accept one application from each State, Commonwealth, or U.S. possession for each specific vessel or type of vessel advertised. Upon a successful donation transfer, the State, Commonwealth, or U.S. possession may submit another application for another vessel or type of vessel.

4. Overall Process:

- a. MARAD is the lead agency for the advertisement, solicitation, and evaluation of donation transfer applications for both MARAD and Navy vessels for use as artificial

reefs, although both MARAD and Navy personnel will work together to accomplish this process.

- b. MARAD will advertise the availability of both MARAD and Navy vessels that may be available for donation transfer and use as artificial reefs. Applications may be submitted by two methods:
 - Applications may be submitted in response to a MARAD solicitation for a specific vessel by name, with a set deadline for the submission of the donation transfer application.
 - Applications may also be submitted in response to a MARAD solicitation for a type of vessel without identifying a specific vessel. In this case, a continuing open submission period will be maintained. As specific vessels of the types previously advertised become available, MARAD will advertise a cut off date for applications whereupon MARAD or Navy may select from available applications.
- c. All applications for vessels to be used as artificial reefs will be submitted to MARAD, except that applications from domestic municipalities must be submitted to the artificial reef coordinator of the State, Commonwealth, or Territory or U.S. possession wherein the municipality lies. MARAD will only accept one application from each State, Commonwealth, or Territory or U.S. possession for each specific vessel or type of vessel advertised. Upon a successful donation transfer, the State, Commonwealth, or Territory or U.S. possession may submit another application for another vessel or type of vessel.
- d. MARAD will request and receive interagency comments from the U.S. Fish and Wildlife Service, National Marine Fisheries Service, National Ocean Service, U.S. Army Corps of Engineers, U.S. Coast Guard, and U.S. Environmental Protection Agency, allowing a maximum 30 day review period. Interagency comments on State, Commonwealth, Territory, U.S. possession, or foreign country submitted applications must be limited to that agency's area of responsibility.
- e. A team of MARAD and Navy personnel will evaluate each application based on an advertised set of criteria, including cost-sharing proposals, and considering interagency comments. The written evaluation results will be forwarded to the decision authority within the agency owning title to the vessel to be donated for use as an artificial reef. The decision authority, at a minimum, will be the program manager of the respective ship disposal program. The decision will be based on a best value analysis.
- f. Each agency will execute its own donation transfer agreement for its respective agency-owned vessels in accordance with its own statutory authorities.
- g. The transferee will be solely responsible for site reef permits and all other regulatory permits and requirements for sinking the vessel, and for maintenance and use of the sunken vessel.
- h. The approach for accomplishing environmental preparations may vary between MARAD and Navy vessels. The point of title transfer will be addressed in each donation transfer agreement and may vary between MARAD and Navy vessels.
- i. The transferee will be solely responsible for long-term liabilities associated with the use and maintenance of the vessel as an artificial reef. The transferee agrees to hold the U.S. Government harmless for any and all use of the vessel as an artificial reef.

5. Application requirements: The following information shall be provided by the applicant:

Part I. Applicant

- a. Name of Applicant (State)
- b. Identify the Project Manager and/or Coordinator: Name, title, mailing address, telephone number, fax number, and e-mail address.
- c. Identify other State and Federal Agencies (other than Navy and MARAD) involved in the project along with their role in the project. Include names, titles, mailing addresses, telephone numbers, fax numbers, e-mail addresses and the role of each in the project.
- d. Identify the names of all non-governmental organizations (NGOs) that are considered principals in the project along with their role in the project: Include names, titles, mailing addresses, telephone numbers, fax numbers, e-mail addresses, and the role of each in the project.
- e. Identify major contractors (other than those contracted by Navy or MARAD) that will be involved in any aspect of the project (i.e., Project managers, shipyards, towing companies, naval architects, marine engineers, HAZMAT remediation and disposal companies). Identify the names, titles, mailing addresses, telephone numbers, fax numbers, e-mail addresses, and the role of each in the project.

Part II. Ship

- a. Identify the ship or type of ship (by class) requested for sinking as an artificial reef.
- b. Name of ship desired (if specific ship is desired)

Part III. Preparation of Ship(s) for Sinking. Identify any and all vessel preparation requirements to be accomplished by the applicant that are beyond the scope of work accomplished under a Navy or MARAD vessel preparation contract. Include:

- a. The name and address of primary party responsible for project management
- b. The location and description of facilities where work will be performed
- c. Complete description of preparation process with particular attention to:
 - Funding
 - Towing Preparation
 - Towing evolution to work locations and to reefing site
 - Oil removal
 - Tank cleaning
 - Disposal procedure of oil and other hazardous substances
 - Intended stripping such as machinery, structure, electrical components, and hazardous materials in preparation of the vessel for sinking
 - Intended disposition of stripped materials
 - Nature, locations and quantity of any hazardous materials that will remain onboard including tank cleaning compounds
 - Inspection of preparation process
 - Hazardous material abatement process
- d. Complete description of any hull and structural modifications to be accomplished to make the vessel suitable for use as an artificial reef, along with the plan to accomplish this work.

Part IV. Estimated time of reef construction

- a. Provide a schedule of the entire project to include all major activities and milestones from conveyance of vessel to sinking of vessel. The activities listed in part III c shall be included in the schedule if accomplished by the applicant; otherwise identify the completion of any vessel preparation work accomplished under a Navy or MARAD contract. Identify and address the availability of any and all regulatory permits necessary to sink the vessel as an artificial reef. Identify all regulatory agencies requiring an inspection of the vessel prior to sinking and the purpose of such inspections.

Part V. Location of Vessel Sinking

- a. Define geographical position by latitude/longitude (degrees, minutes, and seconds) or bearing and distance from charter landmark, complete with annotated charts indicating planned orientation of ship in reef, reef site dimensions, and relationship of this application to past and planned reef construction in this area.
- b. Identify ocean conditions, including depth of water bottom and seabed conditions in immediate and general area of proposed reef. Identify depth of water over reef at minimum and maximum tidal conditions and required navigational draft. Attention should be given to the susceptibility of the area to large-scale wave or transport phenomena, which might cover the reef with sand or otherwise limit its usefulness as a fishery resource. Give weather information as it affects water movements and coastal energy levels seasonally and cyclically.
- c. Effects of reef on other uses of area including:
 - Navigation considerations, including modifications of existing channels and procedures of States to ensure nautical chart corrections
 - Interference with commercial fishing
 - Any uses of the area that will be curtailed by reef building, including commercial, recreational and aesthetic uses.
 - Any enhancement of the area other than fishing benefits, likely to result from reef building
- d. Locate and identify the following that exist or are contemplated, within a 20 mile radius of the proposed site:
 - Submerged pipelines
 - Transmission cables
 - Coral reefs, recreation beaches, commercial fishing areas, and other sites having historic or cultural value.
- e. Method of Marking Location Reef Location:
 - Type of buoy
 - Charting
 - Depth of water
 - Buoy maintenance
 - Minimum of depth of water over sunken ship when in place

Part VI. Provide Plan and Procedures for Vessel Sinking (Including professional experience of persons who will accomplish and supervise the sinking.)

Part VII. Conservation Goals

- a. Provide statement of short term and long range conservation goals
- b. If available, provide a fisheries analysis, including a “with and without” ship reef study of:
 - Sports fishery benefits, including annual catch and worth
 - Ecosystem, including productivity, species diversity, and population dynamic

Part VIII. Preparation costs and funding

- a. Attach copies of all cost estimates for all major activities to be accomplished by the applicant, including towing, environmental preparation, and sinking of the vessel. The activities listed in part III c shall be included in the cost estimate if accomplished by the applicant.
- b. Attach a statement of availability and source of funds required to cover the costs included in the submitted cost estimate. If the project is not fully funded submit a schedule of acquisition of additional funding.

Part IX. Permits

- a. Provide a copy of the U.S. Army Corps of Engineers 404 Permit for the proposed reef site or a copy of the application for the 404 Permit and a Permit Application status from the Army Corps.

Part X. Signed Certification (Attachment I)

- a. The Certification at Attachment I is a part of and must be attached to the application.

ADDITIONAL INSTRUCTIONS:

Provide an electronic copy not to exceed 5 MB to reef@marad.dot.gov or alternatively provide a CD to:

Department of Transportation
Maritime Administration
Ship Disposal Program Office (MAR 610.3) Room 2122
Attn: Beth Freese
400 Seventh Street S.W.
Washington, DC 20590

MARAD will coordinate the review and approval process with all other Federal Agencies who jointly compromise the Artificial Reefing Team (ART).

6. Application Evaluation Criteria:

- a. A best value analysis of each application will be conducted based on an evaluation of the application's response to the following selection criteria. In selecting the transferee for a certain vessel, the Government (i.e., the agency (MARAD or Navy) having title to the vessel subject to donation for use as an artificial reef) will make a determination as to application that provides the best value to the Government.
- Meeting the requirements of the National Fishing Enhancement Act (33 USC 2101) for the enhancement of fishery resources or diving opportunities
 - Availability of existing reef site and permits
 - Plan for use, monitoring and managing the ship reef, including prevention of diver deaths
 - Impact on National Marine Sanctuaries or coral reefs
 - Plan for accomplishing vessel preparation requirements beyond the EPA Best Management Practices (BMP) for ship artificial reefing, or plan for accomplishing all vessel preparation requirements
 - Towing and sinking plan, if accomplished by the state
 - Cost sharing proposals
 - Availability of studies demonstrating the environmental, fishery resources, and/or economic benefits of ship reefing within the state
 - Demonstration of public support for the proposed ship reef
 - Connection with or enhancement of Naval or Maritime heritage